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FY FINANCIAL (SHENZHEN) CO., LTD.

富銀融資租賃(深圳)股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 8452)

**(1) DISCLOSEABLE AND CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO THE FACTORING AGREEMENTS
AND
(2) THE PROPOSED ANNUAL CAPS**

DISCLOSEABLE AND CONTINUING CONNECTED TRANSACTIONS

On 9 August 2019, Fullin Factoring, a wholly-owned subsidiary of the Company, entered into the Factoring Agreement I with Shanghai Kuaijie, pursuant to which Fullin Factoring agreed to provide accounts receivable factoring services for Shanghai Kuaijie with a factoring facility principal amount of RMB15,000,000 (equivalent to approximately HK\$16,739,203) for a term of two years commencing from the Effective Date.

On 9 August 2019, Fullin Factoring, a wholly-owned subsidiary of the Company, entered into the Factoring Agreement II with Shanghai Kuaiyi Mingshang, pursuant to which Fullin Factoring agreed to provide accounts receivable factoring services for Shanghai Kuaiyi Mingshang with a factoring facility principal amount of RMB10,000,000 (equivalent to approximately HK\$11,159,469) for a term of two years commencing from the Effective Date.

IMPLICATIONS UNDER THE GEM LISTING RULES

Each of Shanghai Kuaijie and Shanghai Kuaiyi Mingshang is an associate of Dayuan Tiandi, a substantial shareholder of the Company, and is therefore a connected person of the Company. Accordingly, the transactions contemplated under the Factoring Agreements constitute continuing connected transactions for the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios (other than the profit ratio) as defined in the GEM Listing Rules in respect of the proposed annual caps for the transactions contemplated under the Factoring Agreements on an aggregated basis is more than 5%, such transactions constitute non-exempt continuing connected transactions for the Company under Chapter 20 of the GEM Listing Rules and are subject to the reporting, announcement, Independent Shareholders' approval and annual review requirements under the GEM Listing Rules.

As one or more of the applicable percentage ratios as defined in the GEM Listing Rules in respect of the transactions contemplated under the Factoring Agreements on an aggregated basis is more than 5% but are less than 25%, such transactions also constitute discloseable transactions for the Company under Chapter 19 of the GEM Listing Rules and are subject to the notification and announcement requirements under the GEM Listing Rules.

An Independent Board Committee has been established to advise the Independent Shareholders on the terms of the Factoring Agreements and the proposed annual caps. The Company will appoint the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

GENERAL

The EGM will be convened for the purpose of, among other things, considering and, if deemed appropriate, approving the Factoring Agreements, the transactions contemplated thereunder and the proposed annual caps.

A circular containing, among other things, further details about the Factoring Agreements, the proposed annual caps, the letters from the Independent Board Committee and the Independent Financial Adviser, a notice convening the EGM and other information as required under the GEM Listing Rules will be despatched to the Shareholders on or before 30 August 2019 pursuant to Rule 20.66(11) of the GEM Listing Rules.

Dayuan Tiandi and its associates will abstain from voting on the resolution in respect of the Factoring Agreements, the transactions contemplated thereunder and the proposed annual caps to be put forward at the EGM.

DISCLOSEABLE AND CONTINUING CONNECTED TRANSACTIONS

On 9 August 2019, Fullin Factoring, a wholly-owned subsidiary of the Company, entered into the Factoring Agreement I with Shanghai Kuaijie, pursuant to which Fullin Factoring agreed to provide accounts receivable factoring services for Shanghai Kuaijie with a factoring facility principal amount of RMB15,000,000 (equivalent to approximately HK\$16,739,203) in return for (i) factoring interest and management fee income; and (ii) transfer of the legal title of accounts receivable from Shanghai Kuaijie to Fullin Factoring.

On 9 August 2019, Fullin Factoring, a wholly-owned subsidiary of the Company, entered into the Factoring Agreement II with Shanghai Kuaiyi Mingshang, pursuant to which Fullin Factoring agreed to provide accounts receivable factoring services for Shanghai Kuaiyi Mingshang with a factoring facility principal amount of RMB10,000,000 (equivalent to approximately HK\$11,159,469) in return for (i) factoring interest and management fee income; and (ii) transfer of the legal title of accounts receivable from Shanghai Kuaiyi Mingshang to Fullin Factoring.

If there is an event of default on the terms of the Factoring Agreement I by Shanghai Kuaijie or the terms of the Factoring Agreement II by Shanghai Kuaiyi Mingshang, Fullin Factoring may exercise its right of recourse and demand for the repurchase of the accounts receivable by Shanghai Kuaijie or Shanghai Kuaiyi Mingshang, respectively. In such an event, Shanghai Kuaijie or Shanghai Kuaiyi Mingshang (as the case may be) shall be liable to pay the factoring expenses, the default compensation and the outstanding factoring principal amount to Fullin Factoring.

The principal terms of the Factoring Agreements are set out as follows:

Date of agreement: 9 August 2019

Parties: Factoring Agreement I:
Fullin Factoring (as factor)
Shanghai Kuaijie (as seller)

Factoring Agreement II:
Fullin Factoring (as factor)
Shanghai Kuaiyi Mingshang (as seller)

Type of facility: One-off and with recourse

Condition precedent: The Factoring Agreements are conditional upon the fulfilment of the requirements of the GEM Listing Rules by the Company in respect of the transactions contemplated under the Factoring Agreements, including obtaining the necessary approval from the Independent Shareholders.

If the above condition is not fulfilled by 31 January 2020 (or such other time as Fullin Factoring and Shanghai Kuaijie or Fullin Factoring and Shanghai Kuaiyi Mingshang may otherwise agree in writing), the Factoring Agreements will terminate.

Financing term: The initial financing term of each of the Factoring Agreements will be a term of two years (or of a term until the date on which the factoring principal amount and factoring expenses are fully settled, whichever is the later but in any event will not be later than the second anniversary of the Effective Date), commencing from the Effective Date.

Transfer of accounts receivable: Subject to the terms and conditions of the Factoring Agreements, the accounts receivable of Shanghai Kuaijie and Shanghai Kuaiyi Mingshang as referred to in the underlying transaction documents entered into between the parties pursuant to the Factoring Agreements will be assigned to Fullin Factoring.

Factoring principal amount: RMB15,000,000 (equivalent to approximately HK\$16,739,203) for the Factoring Agreement I which was determined after arm's length negotiations between Fullin Factoring and Shanghai Kuaijie with reference to the lending capacity of Fullin Factoring, the funding need and the repayment capability of Shanghai Kuaijie.

RMB10,000,000 (equivalent to approximately HK\$11,159,469) for the Factoring Agreement II which was determined after arm's length negotiations between Fullin Factoring and Shanghai Kuaiyi Mingshang with reference to the lending capacity of Fullin Factoring, the funding need and the repayment capability of Shanghai Kuaiyi Mingshang.

The provision of factoring principal amount to Shanghai Kuaijie and Shanghai Kuaiyi Mingshang under the Factoring Agreements will be financed by the internal resources of the Group.

Payment of factoring principal amount: Subject to the satisfaction of the terms and conditions as set out in the Factoring Agreements and the fulfilment of condition precedent as set out in the paragraph headed “Condition Precedent” above, Fullin Factoring will pay the factoring principal amount under the Factoring Agreement I and the Factoring Agreement II to Shanghai Kuaijie and Shanghai Kuaiyi Mingshang, respectively, which will represent the accounts receivable being assigned to Fullin Factoring times the factor ratio, in accordance with the terms of such agreements.

Factor ratio: The factor ratio, which represents the ratio of the maximum factoring principal amount to the accounts receivable being assigned under each of the Factoring Agreements, is no more than 80%.

Factoring interest: The factoring interest will be calculated based on the following formula:

$$A \times B \times \frac{C}{360}$$

A = the outstanding balance of the factoring principal amount

B = the interest rate of 13% per annum

C = the actual number of days of the advancement

The factoring interest was determined after arm’s length negotiations between Fullin Factoring and Shanghai Kuaijie and between Fullin Factoring and Shanghai Kuaiyi Mingshang after taking into account the prevailing interest rate for factoring transactions, the risk associated with the factoring activities under the Factoring Agreements, including but not limited to, the business, the financial position and repayment capability of Shanghai Kuaijie and Shanghai Kuaiyi Mingshang.

The respective factoring interest under the Factoring Agreement I and the Factoring Agreement II will be payable by Shanghai Kuaijie and Shanghai Kuaiyi Mingshang to Fullin Factoring on a monthly basis pursuant to the terms of the Factoring Agreement I and the Factoring Agreement II, respectively.

Management fees:

In consideration of the accounts receivable factoring services provided by Fullin Factoring, Shanghai Kuaijie will pay a non-refundable management fee in the amount of RMB150,000 (equivalent to approximately HK\$167,392) to Fullin Factoring on the Effective Date, which was equivalent to 1% of the factoring principal amount provided by Fullin Factoring to Shanghai Kuaijie under the Factoring Agreement I. On the date of the second anniversary of the Effective Date, Shanghai Kuaijie will pay another non-refundable management fee to Fullin Factoring in the amount equivalent to 1% of the outstanding balance of the factoring principal amount payable by Shanghai Kuaijie to Fullin Factoring under the Factoring Agreement I as of the same date, the maximum amount of which is RMB115,000 (equivalent to approximately HK\$128,334).

In consideration of the accounts receivable factoring services provided by Fullin Factoring, Shanghai Kuaiyi Mingshang will pay a non-refundable management fee in the amount of RMB100,000 (equivalent to approximately HK\$111,595) to Fullin Factoring on the Effective Date, which was equivalent to 1% of the factoring principal amount provided by Fullin Factoring to Shanghai Kuaiyi Mingshang under the Factoring Agreement II. On the date of the second anniversary of the Effective Date, Shanghai Kuaiyi Mingshang will pay another non-refundable management fee to Fullin Factoring in the amount equivalent to 1% of the outstanding balance of the factoring principal amount payable by Shanghai Kuaiyi Mingshang to Fullin Factoring under the Factoring Agreement II as of the same date, the maximum amount of which is RMB70,000 (equivalent to approximately HK\$78,116).

Repayment of the factoring principal amount:

For the Factoring Agreement I, the factoring principal amount is repayable by instalments semi-annually pursuant to the terms and conditions of such agreement.

For the Factoring Agreement II, the factoring principal amount is repayable by four installments per annum pursuant to the terms and conditions of such agreement.

Factoring expenses:

The factoring expenses comprise (i) the factoring interest; (ii) the default interest in respect of the outstanding factoring principal amount due but not repaid; (iii) the default interest in respect of the factoring interest due but not paid; and (iv) other expenses incurred by Fullin Factoring in the course of rendering the accounts receivable factoring services and will be payable by Shanghai Kuaijie and Shanghai Kuaiyi Mingshang pursuant to the terms of the Factoring Agreements.

Repurchase:

Fullin Factoring will be entitled to demand Shanghai Kuaijie or Shanghai Kuaiyi Mingshang to immediately and unconditionally repurchase the outstanding amount of accounts receivable being transferred to Fullin Factoring, repay the outstanding factoring principal amount and pay the factoring expenses in the event that any of the triggering events (including but not limited to the following) occurs:

- (i) Shanghai Kuaijie or Shanghai Kuaiyi Mingshang has commercial dispute with its debtor(s) in respect of the underlying contract(s);
- (ii) Fullin Factoring being unable to receive the timely payment in full of the accounts receivable by the debtor(s) of Shanghai Kuaijie or Shanghai Kuaiyi Mingshang as a result of the credit risk of the debtor(s) of Shanghai Kuaijie or Shanghai Kuaiyi Mingshang;
- (iii) Shanghai Kuaijie or Shanghai Kuaiyi Mingshang waiving or offsetting the payment of the accounts receivable transferred to Fullin Factoring without giving notice to Fullin Factoring;

- (iv) the debtor(s) of Shanghai Kuaijie or Shanghai Kuaiyi Mingshang being merged, divided, reorganised, the assets of the debtor(s) of Shanghai Kuaijie or Shanghai Kuaiyi Mingshang being transferred, the fund of the debtor(s) of Shanghai Kuaijie or Shanghai Kuaiyi Mingshang being misappropriated, the business operation of the debtor(s) of Shanghai Kuaijie or Shanghai Kuaiyi Mingshang being ceased or suspended, etc, which has adverse effect to the repayment of the accounts receivable;
- (v) the debtor(s) of Shanghai Kuaijie or Shanghai Kuaiyi Mingshang being involved or possibly involved in any major economic dispute, litigation, arbitration;
- (vi) the debtor(s) of Shanghai Kuaijie or Shanghai Kuaiyi Mingshang selling, leasing, transferring or otherwise disposing its major assets, or the entire or substantial part of its assets; and
- (vii) such other circumstances which Fullin Factoring deems appropriate for Shanghai Kuaijie or Shanghai Kuaiyi Mingshang to repurchase the outstanding amount of the accounts receivable.

Guarantee:

Each of Beijing Kuaiyi Tiandi, Shanghai Kuaiyi Mingshang, Mr. Wang Fuhan (王輔晗), a director and the legal representative of Shanghai Kuaijie, and his spouse, Ms. Ying Wen (應文), entered into a guarantee in favour of Fullin Factoring in respect of all debt payable by Shanghai Kuaijie to Fullin Factoring under the Factoring Agreement I, respectively.

Each of Shanghai Weiwo Investment Management Co., Ltd. (上海瑋沃投資管理有限公司), Shanghai Darun Gongjiang Investment Management Co., Ltd. (上海達潤工匠投資管理有限公司), Shanghai Lanzi Network Science and Technology Co., Ltd. (上海嵐孜網路科技有限公司) and Shanghai Kuaiye Enterprise Management Co., Ltd. (上海快也企業管理有限公司), all wholly-owned subsidiaries of Shanghai Kuaiyi Mingshang, and Ms. Shi Yan (施豔), a substantial shareholder, a director and the legal representative of Shanghai Kuaiyi Mingshang, Mr. Wang Fuhan (王輔晗), a substantial shareholder and a director of Shanghai Kuaiyi Mingshang, Ms. Ying Wen (應文), the spouse of Mr. Wang Fuhan, Mr. Wang Jianfeng (王建峰), a substantial shareholder and a director of Shanghai Kuaiyi Mingshang and his spouse, Ms. Xia Wei (夏薇), entered into a guarantee in favour of Fullin Factoring in respect of all debt payable by Shanghai Kuaiyi Mingshang to Fullin Factoring under the Factoring Agreement II, respectively.

Security:

As security for the total factoring principal amount payable by Shanghai Kuajie to Fullin Factoring under the Factoring Agreement I:

- (i) Beijing Dayuan Tiandi entered into a share pledge agreement with Fullin Factoring pursuant to which Beijing Dayuan Tiandi agreed to pledge all 49% equity interest it held in Beijing Kuaiyi Tiandi to Fullin Factoring; and

- (ii) Shanghai Kuajie entered into a pledge agreement with Fullin Factoring pursuant to which Shanghai Kuajie agreed to pledge the rental income from all existing and new tenants of a property located in Shanghai, the PRC for the following three years commencing from the Effective Date to Fullin Factoring (excluding the rental income from existing tenants where the related accounts receivable were transferred from Shanghai Kuajie to Fullin Factoring pursuant to the terms of the Factoring Agreement I).

As security for the total factoring principal amount payable by Shanghai Kuaiyi Mingshang to Fullin Factoring under the Factoring Agreement II, Shanghai Kuaiyi Mingshang entered into a pledge agreement with Fullin Factoring pursuant to which Shanghai Kuaiyi Mingshang agreed to pledge the rental income from all existing and new tenants of a property located in Shanghai, the PRC for the following three years commencing from the Effective Date to Fullin Factoring (excluding the rental income from existing tenants where the related accounts receivable were transferred from Shanghai Kuaiyi Mingshang to Fullin Factoring pursuant to the terms of the Factoring Agreement II).

THE PROPOSED ANNUAL CAPS OF THE CONTINUING CONNECTED TRANSACTIONS UNDER THE FACTORING AGREEMENTS

By taking into account the maximum outstanding factoring principal amount payable by Shanghai Kuaijie to Fullin Factoring under the Factoring Agreement I and by Shanghai Kuaiyi Mingshang to Fullin Factoring under the Factoring Agreement II for each of the three years ending 31 December 2021, the Company estimates that the annual caps for the continuing connected transactions contemplated under the Factoring Agreements on an aggregated basis for the same periods are as follows:

	<i>RMB</i>	<i>(Equivalent amount of HK\$)</i>
For the year ending 31 December	<i>(Approx.)</i>	<i>(Approx.)</i>
2019	25,000,000	27,898,672
2020	25,000,000	27,898,672
2021	14,000,000	15,623,256

REASONS FOR AND BENEFITS OF THE TRANSACTIONS UNDER THE FACTORING AGREEMENTS

Fullin Factoring is a limited liability company established in the PRC and is a wholly-owned subsidiary of the Company. The principal business of Fullin Factoring is the provision of factoring services and related advisory to its customers in the PRC.

The entering into of the Factoring Agreements is in the ordinary and usual course of business of Fullin Factoring and will generate revenue and cashflow stream from the factoring interest and management fees received. The terms of the Factoring Agreements, including the factoring principal amount, the interest rate and the proposed annual caps therefor, were agreed between Fullin Factoring and Shanghai Kuaijie and between Fullin Factoring and Shanghai Kuaiyi Mingshang after arm's length negotiations between the parties and are on normal commercial terms.

Based on the above, the Directors (excluding the independent non-executive Directors who will provide their view after considering the advice of the Independent Financial Adviser) are of the view that the terms and the proposed annual caps of the Factoring Agreements on an aggregated basis are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

INFORMATION ON THE GROUP

The Company and its subsidiaries, including Fullin Factoring, are principally engaged in the provision of finance leasing, factoring, advisory services, customer referral services and the supply of medical equipment in the PRC.

INFORMATION ON SHANGHAI KUAIJIE, SHANGHAI KUAIYI MINGSHANG AND DAYUAN TIANDI

Shanghai Kuaijie is a company established in the PRC with limited liability. It is a wholly-owned subsidiary of Beijing Kuaiyi Tiandi, a company established in the PRC with limited liability which is owned as to 49% by Beijing Dayuan Tiandi, a 56% owned subsidiary of Dayuan Tiandi, and 51% by Shanghai Kuaiyi Mingshang. Shanghai Kuaijie is principally engaged in investment management, property management, corporate governance, hotel management and office equipment leasing.

Shanghai Kuaiyi Mingshang is a company established in the PRC with limited liability, and is listed on the National Equities Exchange and Quotations (全國中小企業股份轉讓系統) of the PRC (Stock code: 831423). It is a joint venture partner of Beijing Kuaiyi Tiandi, a company established in the PRC with limited liability which is owned as to 49% by Beijing Dayuan Tiandi, a 56% owned subsidiary of Dayuan Tiandi, and 51% by Shanghai Kuaiyi Mingshang. Shanghai Kuaiyi Mingshang is principally engaged in investment management, property management, corporate governance, hotel management and office equipment leasing.

Dayuan Tiandi is a company established in the PRC with limited liability and is principally engaged in real estate development.

IMPLICATIONS UNDER THE GEM LISTING RULES

Each of Shanghai Kuaijie and Shanghai Kuaiyi Mingshang is an associate of Dayuan Tiandi, a substantial shareholder of the Company, and is therefore a connected person of the Company. Accordingly, the transactions contemplated under the Factoring Agreements constitute continuing connected transactions for the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios (other than the profit ratio) as defined in the GEM Listing Rules in respect of the proposed annual caps for the transactions contemplated under the Factoring Agreements on an aggregated basis is more than 5%, such transactions constitute non-exempt continuing connected transactions for the Company under Chapter 20 of the GEM Listing Rules and are subject to the reporting, announcement, Independent Shareholders' approval and annual review requirements under the GEM Listing Rules.

As one or more of the applicable percentage ratios as defined in the GEM Listing Rules in respect of the transactions contemplated under the Factoring Agreements on an aggregated basis is more than 5% but are less than 25%, such transactions also constitute discloseable transactions for the Company under Chapter 19 of the GEM Listing Rules and are subject to the notification and announcement requirements under the GEM Listing Rules.

An Independent Board Committee has been established to advise the Independent Shareholders on the terms of the Factoring Agreements and the proposed annual caps. The Company will appoint the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

GENERAL

The EGM will be convened for the purpose of, among other things, considering and, if deemed appropriate, approving the Factoring Agreements, the transactions contemplated thereunder and the proposed annual caps.

A circular containing, among other things, further details of the Factoring Agreements, the proposed annual caps, letters from the Independent Board Committee and the Independent Financial Adviser, a notice convening the EGM and other information as required under the GEM Listing Rules will be despatched to the Shareholders on or before 30 August 2019 pursuant to Rule 20.66(11) of the GEM Listing Rules.

Dayuan Tiandi and its associates will abstain from voting on the resolution in respect of the Factoring Agreements, the transactions contemplated thereunder and the proposed annual caps to be put forward at the EGM.

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Beijing Dayuan Tiandi”	Beijing Dayuan Tiandi Real Estate Brokerage Co., Ltd. (北京大苑天地房地產經紀有限責任公司), a company established in the PRC and owned as to 56% by Dayuan Tiandi and 44% by certain Independent Third Parties
“Beijing Kuaiyi Tiandi”	Beijing Kuaiyi Tiandi Enterprise Management Co., Ltd. (北京快易天地企業管理有限公司), a company established in the PRC and owned as to 49% by Beijing Dayuan Tiandi and 51% by Shanghai Kuaiyi Mingshang
“Board”	the board of Directors
“Company”	FY Financial (Shenzhen) Co., Ltd. (富銀融資租賃(深圳)股份有限公司), a joint stock company incorporated in the PRC with limited liability and the H Shares of which are listed on GEM
“Dayuan Tiandi”	Beijing Municipality Dayuan Tiandi Property Development Co., Ltd. (北京市大苑天地房地產開發有限公司), a company established in the PRC and a substantial shareholder of the Company

“Directors”	the directors of the Company
“Effective Date”	the effective date of the Factoring Agreements, that is the date on which the Factoring Agreements are approved by the Independent Shareholders
“EGM”	the extraordinary general meeting of the Company (or any adjournment thereof) to be convened for the purpose of, among other things, considering and, if deemed appropriate, approving the Factoring Agreements, the transactions contemplated thereunder and the proposed annual caps
“Factoring Agreement I”	the with-recourse commercial factoring agreement dated 9 August 2019 entered into between Fullin Factoring (as factor) and Shanghai Kuaijie (as seller) in respect of the accounts receivable factoring services provided by Fullin Factoring to Shanghai Kuaijie with a factoring facility principal amount of RMB15,000,000 (equivalent to approximately HK\$16,739,203)
“Factoring Agreement II”	the with-recourse commercial factoring agreement dated 9 August 2019 entered into between Fullin Factoring (as factor) and Shanghai Kuaiyi Mingshang (as seller) in respect of the accounts receivable factoring services provided by Fullin Factoring to Shanghai Kuaiyi Mingshang with a factoring facility principal amount of RMB10,000,000 (equivalent to approximately HK\$11,159,469)
“Factoring Agreements”	Factoring Agreement I and Factoring Agreement II
“Fullin Factoring”	杉杉富銀商業保理有限公司 (Shan Shan Fullin Factoring Co., Ltd.), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Group”	the Company and its subsidiaries as of the date of this announcement

“H Share(s)”	the overseas-listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and are listed on GEM
“HK\$”	the Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board, comprising all independent non-executive Directors, which has been appointed by the Board to advise the Independent Shareholders on the terms of the Factoring Agreements, the transactions contemplated thereunder and the proposed annual caps
“Independent Financial Adviser”	an independent financial adviser to be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the terms of the Factoring Agreements, the transactions contemplated thereunder and the proposed annual caps
“Independent Shareholder(s)”	Shareholder(s) other than Dayuan Tiandi and its associates
“Independent Third Parties”	third parties independent of and not connected with (within the meaning of the GEM Listing Rules) any directors, supervisors, chief executive or substantial shareholders of the Company, its subsidiaries and their respective associates
“PRC”	the People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) with nominal value of RMB1.00 each in the capital of the Company

“Shanghai Kuaijie”	Shanghai Kuaijie Enterprise Management Co., Ltd. (上海快頡企業管理有限公司), a company established in the PRC and a wholly-owned subsidiary of Beijing Kuaiyi Tiandi, which is owned as to 49% by Beijing Dayuan Tiandi, a 56% owned subsidiary of Dayuan Tiandi, and 51% by Shanghai Kuaiyi Mingshang
“Shanghai Kuaiyi Mingshang”	Shanghai Kuaiyi Mingshang Enterprise Development Co., Ltd. (上海快易名商企業發展股份有限公司), a company established in the PRC and listed on the National Equities Exchange and Quotations (全國中小企業股份轉讓系統) of the PRC (Stock code: 831423), and a joint venture partner of Beijing Kuaiyi Tiandi
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the GEM Listing Rules
“%”	per cent.

On behalf of the Board
FY Financial (Shenzhen) Co., Ltd.
Mr. Zhuang Wei
Chairman

Hong Kong, 9 August 2019

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. Li Peng (李鵬)

Mr. Weng Jianxing (翁建興)

Ms. Wang Ying (王瑩)

Non-executive Directors:

Mr. Zhuang Wei (莊巍)

Mr. Qian Cheng (錢程)

Mr. Sun Luran (孫路然)

Independent non-executive Directors:

Mr. Fung Che Wai Anthony (馮志偉)

Mr. Hon Leung (韓亮)

Mr. Liu Shengwen (劉升文)

For the purpose of this announcement, translations of RMB into HK\$ or vice versa have been calculated by using an exchange rate of RMB0.8961 equal to HK\$1. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

If there is any inconsistency between the Chinese names of the entities, companies or legal entities incorporated in PRC mentioned in this announcement and their English translations, the Chinese names shall prevail. The English translations of the Chinese names of such entities, companies or legal entities are provided for illustration purposes only.

This announcement, for which all the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or in this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting. This announcement will also be published on the Company’s website at www.fyleasing.com.